



**Ninety-Ninth Legislature - First Session - 2005**  
**Introducer's Statement of Intent**  
**LB 466**

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**Chairperson:**        **Mick Mines**  
**Committee:**        **Banking, Commerce and Insurance**  
**Date of Hearing:**    **January 31, 2005**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Under current law (Section 8-143.01 of the Nebraska Banking Act), a bank's executive officers licensed pursuant to Section 8-139 (unless excluded by resolution of the Board of Directors or by the bylaws of the bank from participating in the major policy making functions of the bank and does not actually participate in the major policy making functions of the bank) are required to report indebtedness to any other financial institution or institutions by the next regularly scheduled meeting of the Board of Directors. By contrast, executive officers of a national bank are required to make such reports on an annual basis. Provisions of LB 466 relating to licensed executive officers debt reporting requirements would conform the requirements for licensed executive officers of state banks with those of national banks by only requiring indebtedness to other financial institutions to be reported on an annual basis. In addition, LB 466 would provide an alternative to the annual reports of indebtedness to other financial institutions by licensed executive officers by authorizing the Board of Directors of a bank, in their discretion, to obtain a credit report from a recognized credit agency on an annual basis for any or all of its licensed executive officers who are not otherwise excluded by a resolution of the Board of Directors or by the bylaws of the bank.

**Principal Introducer:** \_\_\_\_\_  
**Senator Mick Mines**